A BILL FOR AN ACT

RELATING TO AGRIBUSINESS DEVELOPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

| 1 | PART I. GENERAL PROVISIONS |
|----|--|
| 2 | SECTION 1. The purpose of parts I, II, and III of this Act |
| 3 | is to establish the operating budget for the fiscal biennium |
| 4 | beginning July 1, 2019, and ending June 30, 2021, for state |
| 5 | executive branch programs. |
| 6 | SECTION 2. DEFINITIONS. Unless otherwise clear from the |
| 7 | context, as used in parts I, II, and III: |
| 8 | "Expending agency" means the department of agriculture. |
| 9 | Abbreviations, where used to denote the expending agency, |
| 10 | shall mean the following: |
| 11 | AGR Department of agriculture |
| 12 | "Means of financing" or "MOF" means the source from which |
| 13 | funds are appropriated or authorized to be expended for the |
| 14 | programs and projects specified in parts I, II, and III. All |
| 15 | appropriations are followed by letter symbols. The letter |
| 16 | symbols, where used, shall have the following meanings: |
| 17 | A General funds |

H.B. NO. H.D. 1 S.D. 2 PROPOSED

- 1 B Special funds
- 2 W Revolving funds
- 3 "Position ceiling" means the maximum number of permanent
- 4 and temporary full-time equivalent positions authorized for a
- 5 particular program during a specified period or periods, as
- 6 denoted by an asterisk for permanent full-time equivalent
- 7 positions and a pound sign for temporary full-time equivalent
- 8 positions.
- 9 "Program ID" means the unique identifier for the specific
- 10 program and consists of the abbreviation for the organization
- 11 responsible for carrying out the program followed by the
- 12 organization number for the program.
- 13 PART II. PROGRAM APPROPRIATIONS
- 14 SECTION 3. APPROPRIATIONS. The following sums, or so much
- 15 thereof as may be sufficient to accomplish the purposes and
- 16 programs designated herein, are hereby appropriated or
- 17 authorized, as the case may be, from the means of financing
- 18 specified to the expending agencies designated for the fiscal
- 19 biennium beginning July 1, 2019, and ending June 30, 2021. The
- 20 total expenditures and the number of positions in each fiscal
- 21 year of the biennium shall not exceed the sums and the position

- 1 ceilings indicated for each fiscal year, except as provided
- 2 elsewhere in this part or as provided by general law.

3

PROGRAM APPROPRIATIONS

| | | PROGRAM | | APPROPRIATIONS | | | |
|-------------|----------|--------------------|---------------------|-----------------------------|-------------|-----------------------------|-------------|
| ITEM NO. | PROG. | | EXPENDING AGENCY | FISCAL YEAR 2019-2020 | M O F | FISCAL YEAR 2020-2021 | M O F |
| 1. | AGR161 - | - AGRIBUSINESS DEV | /ELOPMENT AND RE | SEARCH | | | |
| | | | | 10.00* | | 10.00 |) * |
| | | | | 2.00# | | 2.00 |)# |
| OPERATING | | | AGR | 2,030,293A | | 930,293 | Α |
| | | | AGR | 500,000B | | 500,000 | В |
| | | | | 12.00# | | 12.00 |)# |
| | | | AGR | 4,741,879W | | 4,544,718 | W |

H.B. NO. 1561 H.D. 1 S.D. 2 PROPOSED

1 PART III. MISCELLANEOUS BUDGET PROVISIONS

- 2 SECTION 4. If any portion of parts I, II, and III or its
- 3 application to any person, entity, or circumstance is held to be
- 4 invalid for any reason, then the legislature declares that the
- 5 remainder of the Act and each and every other provision thereof
- 6 shall not be affected thereby. If any portion of a specific
- 7 appropriation is held to be invalid for any reason, the
- 8 remaining portion shall be expended to fulfill the objective of
- 9 the appropriation to the extent possible.
- 10 SECTION 5. If manifest clerical, typographical, or other
- 11 mechanical errors are found in parts I, II, and III, the
- 12 governor may correct the errors.
- 13 PART IV. STATUTORY PROVISIONS
- 14 SECTION 6. Section 163D-19, Hawaii Revised Statutes, is
- 15 amended to read as follows:
- "[+] \$163D-19[+] Annual report. (a) The corporation shall
- 17 submit to the governor and the legislature, no later than twenty
- 18 days prior to the convening of each regular session, a complete
- 19 and detailed report of its plans and activities.
- 20 (b) The following information shall be included in the
- 21 annual report and shall be posted on the corporation's website:

H.B. NO. H.D. 1 S.D. 2 PROPOSED

| 1 | (1) | The number of lots the corporation leased or used, by |
|----|-----------|--|
| 2 | | size and island; |
| 3 | (2) | The number of lots the corporation leased or used, by |
| 4 | | island, that contain protocols and conditions |
| 5 | | supporting specialty farm products; |
| 6 | (3) | The number of vacant parcels and unoccupied parcels in |
| 7 | | the leasing process, by island, including the parcel |
| 8 | | size, location, and date the parcel was last occupied |
| 9 | | by a tenant; and |
| 10 | (4) | A description of any lease sales or transfers approved |
| 11 | | by the corporation, including: |
| 12 | | (A) A description of the type of farm products |
| 13 | · | produced by the transferring lessee and the farm |
| 14 | * . | products to be produced by the accepting lessee |
| 15 | | on the leased lands; and |
| 16 | | (B) The date and description of the transferring |
| 17 | | lessee's last lease approved by the corporation." |
| 18 | | PART V. PERFORMANCE AUDIT |
| 19 | SECT | TION 7. The auditor shall conduct a performance audit |
| 20 | of the ag | ribusiness development corporation, established |
| 21 | pursuant | to chapter 163D. Hawaii Revised Statutes. The auditor |

H.B. NO. 1561 H.D. 1 S.D. 2 PROPOSED

- 1 may conduct a financial audit if sufficient funds are available.
- 2 The auditor shall submit a report to the legislature of its
- 3 findings and recommendations, including any proposed
- 4 legislation, no later than twenty days prior to the convening of
- 5 the regular session of 2021.
- 6 SECTION 8. There is appropriated out of the general
- 7 revenues of the State of Hawaii the sum of \$ or so much
- 8 thereof as may be necessary for fiscal year 2019-2020 for the
- 9 office of the auditor to contract with an accounting firm to
- 10 conduct a performance audit of the agribusiness development
- 11 corporation.
- The sum appropriated shall be expended by the office of the
- 13 auditor for the purposes of this part.
- 14 PART VI. RAMSEYERING PROVISIONS AND EFFECTIVE DATE
- 15 SECTION 9. Statutory material to be repealed is bracketed
- 16 and stricken. New statutory material is underscored.
- 17 SECTION 10. This Act shall take effect on July 1, 2019.

H.B. NO. 1561 H.D. 1 S.D. 2 PROPOSED

Report Title:

Agribusiness Development Corporation; Operating Budget; Audit; Reporting; Appropriation

Description:

Appropriates funds for the fiscal biennium 2019-2021 operating budget of Agribusiness Development Corporation (ADC). Appropriates funds for and requires the Auditor to contract with an accounting firm to conduct a financial audit of the ADC. Authorizes the Auditor to conduct a financial audit of the ADC if sufficient funds are available. Requires the ADC to annually report and post on its website specified information. (SD2 Proposed)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.